AI Governance Report

November 2025

AI and Law Society

International Exchange Working Group

Table of Contents

1. Japan's Approach to AI Governance

1.1 Japan's Approach: International Collaboration - Japan's Leadership and Contributions -

We are currently experiencing the "Third AI Boom", often characterized by breakthroughs in deep learning that enabled practical applications of AI, while simultaneously confronting the challenges posed by the risks it raises. While approaches to AI risks like the EU AI Act and initiatives in leading AI nations such as the US and China tend to draw attention, Japan has actually been a global pioneer in AI governance and is contributing to worldwide discussions on the subject. When Japan chaired the G7 Summit (Ise-Shima Summit) in 2016, during the "G7 ICT Ministers' Meeting" held in Takamatsu, Kagawa that April, under the leadership of then-Minister of Internal Affairs and Communications Sanae Takaichi, Japan introduced a draft of eight principles for AI research and development.[1] Based on this, it was agreed that G7 countries would continue to take the lead, with the cooperation of international organizations such as the OECD (Organization for Economic Cooperation and Development), to formulate "AI Development Guidelines". As will be elaborated in the following section, the Social Principles of Human-Centric AI, the "AI R&D Guidelines for International Discussion," and the "AI Utilization Guidelines subsequently became foundational to international AI governance discussions, making significant contributions to the drafting of the 2019 OECD Principles and the G20 AI Principles.[2]

In 2023, when Japan once again assumed the G7 presidency, it launched the international framework known as the "Hiroshima AI Process", based on the outcomes of the G7 Summit (Hiroshima Summit) held in May. The initiative was established to discuss the opportunities and risks of generative AI, which had rapidly developed and proliferated since the end of 2022 and had become a major issue for the international community as a whole.[3] In December 2023, the "Hiroshima AI Process Comprehensive Policy Framework" was established as the first international policy framework. It consists of Guiding Principles[4] outlining 11 principles aimed at promoting the deployment of safe, secure, and trustworthy advanced AI systems, and a Code of Conduct[5] comprising 11 action items. This framework was endorsed by G7 leaders. The Hiroshima AI Process is expected to promote the formation of inclusive international governance on AI by expanding its circle beyond G7 nations to include emerging economies, the private sector, academia, civil society, and other diverse stakeholders. This aims to enable people worldwide to use AI safely, with confidence and trust. In May 2024, the "Hiroshima AI Process Friends Group" was launched under this spirit, with 58 countries and regions having joined as of October 2025.

1.2 Japan's Approach: Combining Soft Law and Hard Law—A Three-Tier Structure of New AI Law + Guidelines + Partial Amendments to Existing Laws—

In Japan, at present, the Act on Promotion of Research and Development, and Utilization of AI-Related

[1] (1) Principle of Transparency, (2) Principle of Controllability, (3) Principle of Safety, (4) Principle of Security, (5) Principle of Privacy, (6) Principle of Ethics, (7) Principle of User Support, (8) Principle of Accountability

[2] Furukawa, Naohiro and Yoshinaga, Kyoko. "Responsible AI and Rules" (Financial Affairs Research Institute, General Incorporated Association), May 2024

[3] Hiroshima AI Process "Home" (https://www.soumu.go.jp/hiroshimaaiprocess/)

[4] Hiroshima AI Process "Hiroshima Process International Guiding Principles for Organizations Developing Advanced AI Systems" (https://www.soumu.go.jp/hiroshimaaiprocess/pdf/document04_en.pdf)

[5] Hiroshima AI Process "Hiroshima Process International Code of Conduct for Organizations Developing Advanced AI Systems" (https://www.soumu.go.jp/hiroshimaaiprocess/pdf/document05_en.pdf)

Technology (hereinafter referred to as the "AI Act") serves as the foundation. For comprehensive AI regulation, a "soft law approach"—a non-legally binding framework—is adopted, while for sector-specific AI regulation, a “hard law approach” is applied through partial amendments to existing laws.

1.2.1 Comprehensive AI: Soft Law Approach

The "AI Governance in Japan Ver. 1.1" published by the Ministry of Economy, Trade and Industry (METI) in July 2021 stated that the governance approach Japan should take is: "From the perspective of balancing respect for AI principles and promotion of innovation and at least at this moment, except for some specific areas, AI governance should be designed mainly with soft laws, which is favorable to companies that respect AI principles."[6]

- AI utilization is expected as a solution to social challenges such as declining labor force due to low birth rates and aging populations.
- A time lag may occur between the development and enforcement of laws and the technological advancement and societal implementation of AI.
- Imposing detailed regulatory obligations may hinder innovation.

Therefore, to reduce the societal risks brought by AI while promoting AI innovation and utilization, the AI Guidelines for Business (explained in 2.1) were created using a goal-based approach. This approach encourages voluntary initiatives by businesses and guides them toward achieving objectives through non-binding soft law.[7] Thus, Japan's approach is currently based on "soft law," which is not legally binding. The AI Act, enacted at the end of May this year (explained in 2.4), is founded on a similar philosophy--seeking to balance the promotion of AI innovation with the management of associated risks." Consequently, this law does not include direct penalty provisions on businesses for their use of AI.

Other AI-related guidelines published by relevant ministries and agencies include the following:

(Reference 3) Various Guidelines Published by Relevant Ministries and Agencies (Examples, in no particular order)		
Field / Target Audience	**Title**	**Responsible Ministry / Agency**
AI developers, providers, and users (including public institutions)	AI Guidelines for Business	Ministry of Internal Affairs and Communications (MIC), Ministry of Economy, Trade and Industry (METI)
Government-generated AI, government employees	Guidelines for Japanese Governments’ Procurements and Utilization of Generative AI for the sake of Evolution and Innovation of Public Administration	Digital Agency
Local government employees	AI Utilization and Implementation Guidebook for Local Governments	Ministry of Internal Affairs and Communications (MIC)
School education personnel	Guideline for the Use of Generative AI in Primary and Secondary Education	Ministry of Education, Culture, Sports, Science and Technology (MEXT)
Plant safety field	Guidelines on Assessment of AI Reliability in the Field of Plant Safety	Fire and Disaster Management Agency, Ministry of Health, Labour and Welfare (MHLW), Ministry of Economy, Trade and Industry (METI)

[6] Study Group on the Implementation of AI Principles "The Future of AI Governance in Japan ver.1.1" (July 2021) (https://www.meti.go.jp/shingikai/mono_info_service/ai_shakai_jisso/pdf/20210709_1.pdf)

[7] Ministry of Internal Affairs and Communications / Ministry of Economy, Trade and Industry "AI Business Operator Guidelines (Version 1.1)" (March 2025) (https://www.meti.go.jp/shingikai/mono_info_service/ai_shakai_jisso/pdf/20250328_1.pdf)

(Reference 3) Various Guidelines Published by Relevant Ministries and Agencies (Examples, in no particular order)		
Universities, colleges, and technical schools	Handling of Generative AI in Universities and Colleges (from a Teaching and Learning perspective)	Ministry of Education, Culture, Sports, Science and Technology (MEXT)
Copyright	General Understanding on AI and Copyright in Japan- Overview-	Agency for Cultural Affairs
Personal information handling business operators, administrative bodies, etc.	Precautions Regarding the Use of Generative AI Services	Personal Information Protection Commission (PPC)
All parties to contracts	Contract Guidelines on the Utilization of AI and Data	Ministry of Economy, Trade and Industry (METI)
Agricultural business operators, agricultural machinery manufacturers, ICT vendors, etc.	Contract Guidelines for AI and Data in the Agricultural Field	Ministry of Agriculture, Forestry and Fisheries (MAFF)
Healthcare professionals, academic researchers, private sector developers related to medical devices	Guidelines on the Utilization of Medical Digital Data for AI Research and Development	Ministry of Health, Labour and Welfare (MHLW)
Childcare / parenting field (nurseries, childcare facilities, etc.)	Practical Handbook for the Introduction and Utilization of Generative AI	Children and Families Agency
AI developers, providers, and users	Contractual Checklist for AI Utilization and Development	Ministry of Economy, Trade and Industry (METI)
Content production and related industries	Guidelines for the Utilization of Generative AI in Content Production	Ministry of Economy, Trade and Industry (METI)
Intellectual property	Interim Report on the Study group on Intellectual Property Rights in the Age of AI	Cabinet Secretariat, Intellectual Property Strategy Headquarters

Source: Artificial Intelligence Strategy Headquarters (1st Meeting) Document 2-3
(https://www8.cao.go.jp/cstp/ai/ai_hq/1kai/shiryo2_3.pdf)

1.2.2 Specific Fields: Partial Amendments to Existing Laws (Hard Law)

Meanwhile, in Japan, not only comprehensive AI Act and guidelines are being developed, but amendments to existing laws are also being advanced in specific fields as necessary. Representative examples of such amendments are as follows. Among them are cases like the Personal Information Protection Act and the Copyright Act, where regulations have been relaxed to promote innovation in AI development.

- Personal Information Protection Related

Act on the Protection of Personal Information (Amended in 2020, Enforced in 2022)	From an innovation promotion perspective, "pseudonymized information" was established. This allows for certain obligations to be relaxed, such as permitting changes to the purpose of use beyond what is reasonably deemed relevant to the original purpose, provided the analysis and use occur within the business and in a form that does not identify the individual (Article 41, Section 9 of the Act). For example, even if the original purpose of use of personal information did not include "use as a training dataset for developing AI models," processing it into pseudonymized information allows the purpose of use to be changed without the individual's consent, enabling use for the new purpose.[8]
Telecommunications Business Act (Amended in 2022)	The "External Transmission of User Information Regulations" (commonly known as the "Cookie Regulations") were introduced. For the transmission of tracking information used in AI advertising and recommendations, notification and consent from users are now required. This ensures users recognize their information is being transmitted and can proactively control

[8] Nagashima Ohno & Tsunematsu "Data Utilization and Personal Information Protection - The Potential of AI/Machine Learning and 'Pseudonymized Information' (1)" (February 2022) (https://www.noandt.com/features/technology_01/)

	it.

- Intellectual Property Related

Copyright Act (Amended in 2018, Enforced on January 1, 2019)	Use of copyrighted works for "non-enjoyment purposes" is now permitted without the copyright holder's permission. This enables text and data mining (TDM) for machine learning, experimental recording/filming for technological development, and information analysis (Article 30-4 of the Act).

- Labor and Employment

Employment Security Act (Amended in 2022)	A duty to endeavor to disclose business information, such as "key matters when displaying ranked information regarding worker recruitment or prospective workers" (Article 43-6 of the Act, Article 31-4 of the Regulations), has been imposed. This requires disclosure of the main factors used in the algorithm to determine the display order when such an algorithm is used, but does not require disclosure of the algorithm's description or the calculation procedures using the main factors.[9]

- Financial

Financial Instruments and Exchange Act (Amended in 2017)	The 2017 amendment to the Financial Instruments and Exchange Act requires firms conducting high-frequency trading (HFT) using algorithms or similar methods to register, create and retain transaction records, and notify authorities.

- Transportation

Road Traffic Act (Amended in 2022)	Amendments (2022) enabling the implementation of Level 4 autonomous driving were enacted, introducing a legal framework for the operators and safety management of AI-equipped vehicles.

- Platform

Act on Improving Transparency and Fairness of Digital Platforms (Enacted in 2020)	Among digital platforms, operators providing platforms with a particularly high need to enhance transaction transparency and fairness were designated as "specified digital platform providers" and became subject to regulation. Specified digital platform providers must disclose information such as transaction terms, establish voluntary procedures and systems, and submit an annual report with a self-assessment detailing the measures implemented and an overview of their operations. They are also obligated to provide advance notice to users when changing transaction terms and to establish voluntary systems for handling complaints and disputes.

Furthermore, while not a legal amendment, court precedents exist that classify the publication of pornography using deepfakes as defamation and copyright infringement, and this conclusion is widely accepted.

1.3 Summary

[9] Ministry of Health, Labour and Welfare "Q&A on the Revised Employment Security Act (2022)" (https://www.mhlw.go.jp/content/11600000/000965559.pdf)

As seen above, Japan currently employs a combination of soft law and hard law for AI regulation. This approach is based on an AI Act that lacks penalty provisions at present, utilizing non-legally binding guidelines for comprehensive AI regulation and amendments to existing laws or new legislation in specific sectors. This approach reflects the understanding that risks and damages from AI vary by situation and context. Furthermore, introducing hard law with penalties from the outset could create a chilling effect, potentially hindering corporate innovation. However, a shift to hard law could occur in the future if companies, including foreign ones, fail to comply or if concrete damages materialize. Comprehensive hard law with legal binding force would impose legal obligations on companies and increase compliance costs associated with adhering to the law, which is undesirable for businesses. To avoid this, companies must demonstrate compliance with various guidelines and engage in responsible AI development and utilization, rather than doing nothing simply because there are no penalties.

2. Government Documents on AI Governance

2.1 AI Guidelines for Business

2.1.1 About AI Guidelines for Business

AI Guidelines for Business, jointly developed by the Ministry of Internal Affairs and Communications and the Ministry of Economy, Trade and Industry, integrate the previously existing "Draft AI R&D Guidelines for International Discussions" "AI Utilization Guidelines: Practical Reference for AI Utilization" and "Governance Guidelines for Implementation of AI Principles ver. 1.1".

As stated in the guidelines themselves, "it is planned that the Guidelines will be updated as a living document as needed, while reflecting the agile governance philosophy to continuously improve AI governance" Version 1.01 was published just seven months after Version 1.0, followed by Version 1.1 four months later. Version 1.1 consists of a main document of approximately 40 pages[10] and appendices totaling about 170 pages.[11] Furthermore, Version 1.0 includes appendices containing checklists/worksheets, hypothetical case studies, and a list of references to overseas guidelines.

2.1.2 Scope of AI Guidelines for Business

AI Guidelines for Business apply to three main categories: developers, providers, and users. Developers refer to businesses that develop AI systems. Providers refer to businesses that incorporate AI systems into services and offer them. Users do not refer to general individuals using AI, but rather to businesses that utilize AI systems or services in their business activities.

2.1.3 Main Body

The fundamental principles of AI Guidelines for business are the " Social Principles of Human-Centric AI": ① Dignity: A society that has respect for human dignity. ② Diversity and Inclusion: A society where people with diverse backgrounds can pursue their own well-being. ③ Sustainability: A sustainable society.

The AI Business Guidelines further establish ten common principles to achieve this purpose: "Human-Centric" "Safety" "Fairness" "Privacy Protection" "Ensuring security" "Transparency" "Accountability" Education/literacy" "Ensuring fair competition" and "Innovation".

Under these common principles, for example: - For "Human-Centric": "Do not develop, provide, or use AI systems and services with purpose of manipulating human decision making, recognition and emotion or on the premise of unconscious control." - For "Fairness": "There are a broad range of factors that can produce a bias, so identify the factors that might produce biases that can be considered as problems from the viewpoint of fairness. Those factors may include technological elements (training data, AI model training process,

[10] Ministry of Internal Affairs and Communications / Ministry of Economy, Trade and Industry "AI Business Guidelines (Version 1.1)" (March 2025) (https://www.meti.go.jp/shingikai/mono_info_service/ai_shakai_jisso/pdf/20250328_1.pdf); Ministry of Internal Affairs and Communications Ministry of Economy, Trade and Industry "AI Guidelines for Business Ver1.1" (April 4, 2025) (https://www.meti.go.jp/shingikai/mono_info_service/ai_shakai_jisso/pdf/20240419_14.pdf)

[11] Ministry of Internal Affairs and Communications Ministry of Economy, Trade and Industry "AI Business Guidelines (Version 1.1) Appendix (Supplementary Materials)" (March 2025) (https://www.meti.go.jp/shingikai/mono_info_service/ai_shakai_jisso/pdf/20250328_3.pdf); Ministry of Internal Affairs and Communications Ministry of Economy, Trade and Industry "AI Guidelines for Business Appendix Ver1.1" (April 4, 2025) (https://www.meti.go.jp/shingikai/mono_info_service/ai_shakai_jisso/pdf/20240419_16.pdf)

prompts entered by AI business users or non-business users, and reference information and collaborating external services used by AI models for inference) and behaviors of AI business users." specifying concrete actions required for each common principle. information referenced during AI model inference, and connected external services) and the behavior of AI users."

Furthermore, this main text specifically highlights important matters among the concrete actions to be taken regarding the common guidelines, categorized by the aforementioned roles of developers, providers, and business users.

2.1.4 Appendix

Complementing the main body of AI Guidelines for Business, the Appendix provides practical examples. As mentioned earlier, the main text outlines the fundamental principles — namely, "the ideal society while considering stakeholders (why)" — and the actions each stakeholder should undertake under the common guidelines—namely, "the efforts to be made regarding AI (what)." In contrast, the appendices describe practical examples of implementing the actions outlined in the main text—namely, "the specific approach to be adopted (how)". Appendix 3 is for AI developers, Appendix 4 for AI providers, and Appendix 5 for AI business users. For each stakeholder group described in the main text, these appendices explain the main text's content and the common guidelines, then list specific methods (practices) for implementing the initiatives outlined in the common guidelines.

Furthermore, the main text suggests that establishing AI governance (The design and operation of technological, organizational, and social systems by stakeholders for the purpose of managing risks posed by the use of AI at levels acceptable to stakeholders and maximizing their positive impact (benefit).) is crucial for implementing the common guidelines. Appendix 2 details key points for establishing AI governance (practical points) and practical examples.

2.2 AI Strategy Council / AI System Research "Interim Summary" (February 4, 2025)

2.2.1 Overview of the AI Strategy Council and AI Institutional Research Group "Interim Summary"

The "Interim Summary" published by the AI Strategy Council and AI Institutional Research Group on February 4, 2025, is a government document that outlines the direction for Japan's unique AI governance framework, grounded in the spirit of the Hiroshima AI Process. This "Interim Summary" presents an institutional framework for Japan to become "the world's most AI-friendly country for development and utilization," in light of the rapid advancement of generative AI and the accompanying emergence of risks. Formulated after seven study group meetings and hearings with 15 researchers and businesses since July 2024, this document outlines specific directions for AI governance, guided by the fundamental principle of balancing innovation promotion and risk management.

2.2.2 Basic Approach

(1) Balancing Innovation Promotion and Risk Management

The most significant feature of the interim summary is its adoption of an approach that balances promoting

AI innovation with addressing risks. Regarding R&D support, it advocates for continuous support in areas such as data and computational resource development, human resource development, and next-generation AI talent development programs. Simultaneously, it clearly states a policy of appropriately combining laws and soft law such as guidelines, respecting the autonomy of businesses while limiting regulation to the minimum necessary.

(2) Promoting International Coordination

Discussions are actively underway within multilateral frameworks such as the Hiroshima AI Process promoted at the G7, the UN's "Global Digital Compact" (adopted September 2024), the Council of Europe's "Framework Convention on Artificial Intelligence and Human Rights, Democracy and the Rule of Law," the OECD AI Principles (revised May 2024), and the GPAI (Global Partnership on Artificial Intelligence). Notably, the GPAI expanded to 44 member countries in July 2024 through an integrated partnership with the OECD, and the first GPAI Expert Support Center in the Asia-Pacific region was established in Tokyo.

2.2.3 Risks AI May Pose and Responses Under Existing Laws

The interim summary categorizes potential risks posed by AI into 14 types and clarifies the primary laws applicable to each. Crucially, the interim summary emphasizes that the focus should not be on creating new laws or amending existing ones specifically for remedies or legal sanctions against AI-related infringements of rights or interests. Instead, it states: "In areas where existing individual laws exist, AI is beginning to be used for various purposes across these domains, and the necessity for protecting rights and interests varies depending on the specific AI application. Therefore, the initial approach should be to utilize the framework of the relevant existing laws."[12] This indicates that the immediate focus is on legal responses based on current legislation. The following is a matrix of potential risks posed by AI, as outlined on page 9 of the "Interim Summary," supplemented with various details such as article numbers. Please refer to it as appropriate.

Examples of Potential Risks from AI and Assumed Scenarios	Key Laws and Related Regulations	Legal Sanctions/Legal Remedies
①Information Leakage Due to Input of Confidential Information into AI[13]	● Unfair Competition Prevention Act Trade secret infringement (Article 2, Paragraph 1, Items 4 to 10) Improper Use of Restricted-Access Data (Article 2, Paragraph 1, Items 11–16)	Liability for Damages (Article 4) Criminal Penalties (Article 21, Paragraphs 1 and 2: Trade Secret Infringement Only)
	●Civil Code (Contract Law) Breach of Contract Due to Violation of Non-Disclosure Agreement (NDA)	Liability for Damages as a General Rule (Article 415 of the Civil Code)
②Copyright Infringement During AI Development, Training, Generation, and Use[14]	● Copyright Act 【Development and Training Stage】 Potential infringement of the reproduction right (Article 21) (However, infringement may not occur under Articles 30, 30-4, or 47-5.) 【Generation and Utilization Process】 Potential infringement of the right of reproduction (Article 21), the right of adaptation (Article 27), and	Request for Injunction (Article 112) Liability for Damages (Civil Code Articles 709 and 710) Criminal penalties (Article 119, etc.)

[12] AI Strategy Council / AI System Research Group "Interim Summary" Page 8 (February 2025) (https://www8.cao.go.jp/cstp/ai/interim_report.pdf)
[13] The Ministry of Economy, Trade and Industry's "Handbook for Protecting Confidential Information" (February 2024) outlines points to consider when using AI.
[14] The Agency for Cultural Affairs published "Considerations on AI and Copyright" (March 2024), providing certain interpretations.

Examples of Potential Risks from AI and Assumed Scenarios	Key Laws and Related Regulations	Legal Sanctions/Legal Remedies
	the right of public transmission (Article 23) / Potential infringement of the right of integrity (Article 20) (However, Article 47-5 may exempt it from infringement.)	
③Infringement of Industrial Property Rights[15]	●Design Law Potential Design Right Infringement (Article 23, Article 38, etc.)	Injunction (Article 37) Liability for Damages (Civil Code Articles 709 and 710) Criminal Penalties (Article 69, etc.)
	● Trademark Law Potential infringement of trademark rights (Article 25, Article 37, etc.) (Note: See Article 26)	Injunction (Article 36) Liability for Damages (Civil Code Articles 709 and 710) Criminal Penalties (Article 78, etc.)
④Privacy Infringement and Personal Information Protection Violations[16]	● Constitution Right to privacy, right of publicity (see Article 13)	Injunction (Civil Preservation Act, Article 23, Paragraph 1, etc.) Liability for Damages (Civil Code Articles 709 and 710)
	●Personal Information Protection Act Use of personal information by personal information handlers for purposes other than those specified (Article 18) Improper use of personal information by personal information handlers (Article 19) Providing or Stealing Personal Information Databases for Profit-Seeking Purposes (Article 178)	Injunctions (Civil Preservation Act, Article 23, Paragraph 1, etc.) Liability for Damages (Civil Code Articles 709 and 710) Criminal Penalties (Article 178)
⑤Impact on Life and Body Due to Malfunction of AI-Equipped Products	● Road Transport Vehicle Act Autonomous driving devices (Article 41, Paragraph 2): Article 49, Paragraph 2 (Inspection and maintenance records), Article 99-3, Paragraph 1, Item 1 (Permit for specific modifications) ●Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices Medical Device Program (Article 2, Paragraph 13), Article 39 (Permit), Article 39-3 (Notification), Article 43 (Inspection), Article 65 (Prohibition of Sale/Manufacture for Non-Compliance with Standards) ● Industrial Safety and Health Act Machinery Equipped with AI: Article 37 (Permits for Specified Machinery), Article 38 (Inspections, etc. for Specified Machinery), Article 46 (Registration), Article 40 (Restrictions on Use of Uninspected Specified Machinery), Article 45 (Periodic Self-Inspection)	【Criminal Penalties】 ●Road Transport Vehicle Act: Article 109, Paragraph 14 (Unlicensed Modification) ●Act on Securing Quality, Efficacy and Safety of Products Including Pharmaceuticals and Medical Devices: Article 84, Items 12, 15, 23; Article 87, Item 12 ● Industrial Safety and Health Act: Article 107, Article 109(1), Article 120 【Civil】 ＊Liability for Damages (Civil Code Articles 709, 710) ・In cases arising from product defects, the burden of proof is reduced for the victim under Article 3 of the Product Liability Act ・In cases arising from automobile accidents, the burden of proof lies with the tortfeasor under Article 3 of the Automobile Liability Security Act ＊In cases involving products belonging to the national or local government, liability for public works under Article 2 of the State Compensation Act
⑥Deepfakes (misuse of AI-generated portraits, voices, etc.)	●Civil Code Infringement of Rights: Violation of portrait rights or publicity rights ●Criminal Code	● Liability for Damages (Civil Code Articles 709 and 710) ＊Claims for Removal and Prevention of Interference Based on Personality Rights

[15] The AI Era Intellectual Property Rights Review Committee outlined its approach to legal rules in its "Interim Summary of the AI Era Intellectual Property Rights Review Committee" (May 2024).

[16] See also the Personal Information Protection Commission's "Interim Summary of Discussions Concerning the So-Called Triennial Review of the Personal Information Protection Act" (June 2024).

Examples of Potential Risks from AI and Assumed Scenarios	Key Laws and Related Regulations	Legal Sanctions/Legal Remedies
	Classified under applicable criminal offenses based on usage patterns ●Child Pornography Prohibition Act Manufacturing, distribution, etc., of child pornography (Article 2, Paragraph 3) ●Information Circulation Platform Countermeasures Act Obligations of large-scale online platform operators (Article 24 et seq.)	●Criminal Penalties (Penal Code) Crimes such as Threats (Article 222), Defamation (Article 230), Distribution of Obscene Materials (Article 175), Fraud (Article 246), and Obstruction of Business by Fraudulent Means (Article 233) ●Child Pornography Prohibition Act Criminal acts under Article 7 ●Information Platform Distribution Act Disclosure system for information providers of clearly infringing content (Articles 3, 8)
⑦ Promotion of Bias (Discrimination/Prejudice)	●Hate Speech Elimination Act Citizens' Duty to Endeavor (Article 3), Responsibilities of the State and Local Governments (Article 4) ●Labor-Related Laws Equal treatment (Labor Standards Act, Article 3), prohibition of discrimination based on gender (Equal Employment Opportunity Act for Men and Women, Article 5 et seq.), etc. ●Act on the Elimination of Discrimination against Persons with Disabilities Duties of Citizens (Article 4), Provision of Environments with Reasonable Accommodations (Article 5), Prohibition of Discrimination Based on Disability in Administrative Agencies (Article 7) ●Prohibition of Discrimination Based on Disability by Businesses (Article 8) ●Act on the Elimination of Discrimination against Buraku-Descent Persons Obligation of Citizens to Endeavor (Article 2), Duties of the State and Local Governments (Article 3) ●Personal Information Protection Act Proper acquisition of sensitive personal information (Article 2, Paragraph 3) by personal information handlers (Article 20, Paragraph 2), prohibition of use beyond the purpose (Article 18), prohibition of improper use (Article 19), etc.	【Criminal Penalties】 ・Labor Standards Act, Article 109, Item 1 【Civil】 ・Claims for Damages Based on Tort Liability (Civil Code Articles 709 and 710)
⑧ Information manipulation through false or misleading information	●Civil Code Infringement of Rights: Infringement of the Right to Reputation or the Right to One's Image ● Criminal Code Classification under applicable criminal offenses ●Administrative Regulations Prohibition of false or exaggerated advertising for pharmaceuticals, etc. (Article 66 of the Pharmaceutical Affairs Law) ● Public Offices Election Act Publication of false information with the intent to secure or prevent the election of a candidate for public office (Article 235)	【Civil】 ・Claims for damages based on tort (Civil Code Articles 709 and 710) ・Measures for restoration of reputation (Civil Code Article 723: reputation only) ＊Requests for disclosure of information regarding the sender of information infringing on the rights of a specific individual may be made (Article 3, Article 4 (candidates for public office), Article 8 of the Information Disclosure Act) 【Administrative Sanctions】 ・Cease and desist orders (Article 72-5 of the Pharmaceutical Affairs Law) ・Penalty payments (Article 75-5-2 of the Pharmaceutical Affairs Law)

Examples of Potential Risks from AI and Assumed Scenarios	Key Laws and Related Regulations	Legal Sanctions/Legal Remedies
		【Criminal Penalties】 ・Defamation (Article 230 of the Penal Code) ・Violation of Regulations on Exaggerated Advertising, etc. (Article 85, Item 4 of the Pharmaceutical Affairs Law) ・Publication of False Information (Article 235 of the Public Offices Election Act) 【Suspension of Civil Rights】 ・Suspension of the right to vote and the right to be elected (Article 252 of the Public Offices Election Act) due to the crime of publishing false information (Article 235 of the Public Offices Election Act)
⑨Disadvantages to citizens, such as individuals being unable to receive administrative services due to erroneous AI judgments	●Constitution Guarantee of due process (Article 31) ●Administrative Procedure Act Obligation to establish and publish review standards (Article 5) Obligation to Endeavor to Establish and Publicize Disposition Standards (Article 12), etc.	
⑩Cyberattacks (Creation of Viruses, etc.)	● Criminal Code Classifying Acts Under Existing Criminal Categories ●Act on Prohibition of Unauthorized Computer AccessProhibition of unauthorized access acts (Article 2, Paragraph 4) (Article 3)	【Criminal Penalties】 Crimes related to malicious electromagnetic records (Criminal Code Articles 168-2 and 168-3) Violation of the Unauthorized Access Prohibition Act (Act on Prohibition of Unauthorized Computer Access Article 11)
⑪Hallucination (AI Generating False Information)	●Civil Code Liability for Breach of Contract (Article 415 et seq.) Tort Liability (Article 709)	Claims for Damages Based on Tort Liability (Civil Code Articles 709 & 710) Claims for Damages Based on Breach of Contract (Civil Code Article 415)
⑫Increased Environmental Burden	●Act on the Promotion of Measures to Cope with Global Warming Promotion of Global Warming Countermeasures (Article 2-2), National Responsibilities (Article 3), Local Government Responsibilities (Article 4), Business Operator Responsibilities (Article 5), Citizen Responsibilities (Article 6)	
⑬ Negative Interactions Between Humans and AI	● Basic Act on Suicide Prevention Basic Principles for Suicide Prevention (Article 2), Responsibilities of the National Government and Local Governments (Article 3), Responsibilities of Business Owners (Article 4), Responsibilities of Citizens (Article 5)	
⑭Concerns about AGI becoming uncontrollable	(No applicable laws at present)	

2.2.4 Specific System and Policy Directions

(1) General Matters

1) Strengthening the Government's Strategic Leadership Function and Strategy Formulation

It is proposed that the strengthening of the command center function to oversee the entire field and the formulation of a strategy (basic plan) for the safe and secure research, development, and utilization of AI should be enshrined in law.

2) Improving Safety, etc.

(1) Ensuring Transparency and Appropriateness throughout the AI Lifecycle: Developing guidelines aligned with the Hiroshima AI Process, (2) Safety Assessment and Certification: Strategically promoting safety assessment and certification systems practiced by domestic and international organizations, (3) Response to Serious Incidents: Government investigation and information gathering, guidance and advice to businesses and citizens, and information provision. The report concluded that legal measures are appropriate for implementing (1) and (3) due to the essential need for business cooperation. This concept led to the creation of the AI Act (enforced June 4, 2025) discussed later in Section 2.4.

(2) Government Use

For government procurement, guidelines specifically for AI procurement need to be developed. It is important for the government to take the lead in utilizing AI to promote its adoption by the public. However, caution is advised for systems that could significantly impact citizens' rights and interests, considering the risks of automatically adopting AI output results. This consideration led to the development of The Guideline for Procurements and Utilizations of Generative AI (May 27, 2025), discussed later.

(3) Life and physical safety, systemic risks, national security, etc.

For areas with significant impact on public life and social activities, such as medical devices, autonomous vehicles, and foundational services, the basic approach is for the relevant ministries and agencies to respond based on existing industry-specific laws. As outlined in 2.2.3, the focus remains on responses grounded in current legislation. However, if new risks emerge that cannot be addressed within existing frameworks, the guidelines state that consideration should be given to revising existing systems or establishing new ones.

2.2.5 Responsibilities of Businesses in the "Interim Summary"

The "Interim Summary" outlines five main responsibilities for businesses.

First, ① Compliance with Guidelines and Clarification of Roles and Responsibilities. This involves ensuring that entities, including operators, appropriately comply with domestic norms such as the AI Operator Guidelines, clarifying the roles of developers, providers, etc., and thereby defining responsibilities.[17] Second, ② Ensuring transparency throughout the entire lifecycle (information sharing among stakeholders). This involves ensuring transparency by sharing necessary information between developers and providers, and between providers and users, for the safe and secure research, development, and utilization of AI, while also considering measures to avoid excessive burdens or disclosure.[18] Third, efforts to ensure appropriateness, such as reducing inappropriate outputs, disclosing and sharing risk information, and supporting transparency

[17] AI Strategy Council/AI System Research Group "Interim Summary" pp. 10-11 (February 2025) (https://www8.cao.go.jp/cstp/ai/interim_report.pdf)
[18] AI Strategy Council/AI System Research Group "Interim Summary" pp. 14-15 (February 2025) (https://www8.cao.go.jp/cstp/ai/interim_report.pdf)

in training datasets. Here, building on the intent of the Hiroshima AI Process, it is indicated that measures to reduce inappropriate outputs, disclose and share information on AI overviews and risks, and support appropriate transparency in training datasets should be considered.[19] Furthermore, ④ Cooperation with government investigations and assessments, including information provision. This section indicates that, to ensure transparency and appropriateness, the government should establish legal frameworks to obtain cooperation from domestic and international operators, such as information provision, to assess their status and provide necessary support.[20] Finally, ⑤ Utilization of Safety Assessments and Third-Party Certification (Request for Voluntary Initiatives). While this item does not use the term "obligation," it positions the utilization of safety assessments and third-party certification undertaken voluntarily by businesses as an effective means, as actions expected of businesses.[21]

2.2.6 Conclusion

The "Interim Summary" is a crucial document outlining the direction of Japan's AI regulatory framework. Under the fundamental principle of balancing innovation promotion and risk management, it advocates for flexible system design through an appropriate combination of legislation and soft law. In particular, its pragmatic approach—prioritizing the utilization of existing laws while introducing new legal frameworks only where genuinely necessary—aims to respond to rapidly advancing AI technology without unduly constraining business activities. This principle significantly contributed to the subsequent creation of the AI Act and the formulation of the Guideline for Procurements and Utilizations of Generative AI.

2.3 The Guideline for Japanese Government's Procurements and Utilizations of Generative AI for the sake of Evolution and Innovation of Public Administration (The Guideline for Procurements and Utilizations of Generative AI)[22]

2.3.1 The Guideline for Procurements and Utilizations of Generative AI

The Guideline for Procurements and Utilizations of Generative AI was created by the Digital Agency to promote the utilization of generative AI in government operations while simultaneously managing associated risks. They outline the AI governance framework that government ministries and agencies should adopt, the risks involved in utilizing generative AI, checklists for procurement, and rules governing procurement and utilization.

The Guideline is grounded in the three fundamental principles outlined in the " Social Principles of Human-

[19] AI Strategy Council and AI System Research Group "Interim Summary" Page 15 (February 2025) (https://www8.cao.go.jp/cstp/ai/interim_report.pdf)
[20] AI Strategy Council and AI System Research Group "Interim Summary" Page 14 (February 2025) (https://www8.cao.go.jp/cstp/ai/interim_report.pdf)
[21] AI Strategy Council and AI System Research Group "Interim Summary" Page 14 (February 2025) (https://www8.cao.go.jp/cstp/ai/interim_report.pdf)
[22] Digital Agency, Digital Society Promotion Council Steering Committee "Guidelines for Procurement and Utilization of Generative AI for the Evolution and Innovation of Administration" (May 2025) (https://www.digital.go.jp/assets/contents/node/basic_page/field_ref_resources/e2a06143-ed29-4f1d-9c31 -0f06fca67afc/80419aea/20250527_resources_standard_guidelines_guideline_01.pdf)
Digital Agency Approved by the Council for the Promotion of a Digital Society Executive Board Meeting "The Guideline for Japanese Governments' Procurements and Utilizations of Generative AI for the sake of Evolution and Innovation of Public Administration" (May 27, 2025) (https://www.digital.go.jp/assets/contents/node/basic_page/field_ref_resources/e2a06143-ed29-4f1d-9c31 -0f06fca67afc/50a1f37c/20250613_resources_standard_guidelines_guideline_01.pdf)

Centric AI " (established March 2019): (1) Dignity: A society that has respect for human dignity, (2) Diversity and Inclusion: A society where people with diverse backgrounds can pursue their own well-being, and (3) Sustainability: A sustainable society. The Guideline for Procurements and Utilizations of Generative AI aims to achieve nine benefits: efficient and effective realization of administrative objectives; enhanced planning and formulation capabilities; improved information gathering and analysis capabilities; enhanced functionality, quality, and cost-effectiveness of generative AI utilized by the government; and the enhancement of Japan's international competitiveness in the AI field and the cultivation of related industries.

2.3.2 Target Audience and Applicable Generative AI

The Guideline for Procurements and Utilizations of Generative AI governs the procurement of generative AI within each ministry and agency. Therefore, the intended audience is national government staff. Specifically, national government staff is categorized as Chief AI Officers (CAIO), planners, developers, providers, and users. The final category, "users," refers to government staff who utilize generative AI systems, making the scope of the Guidelines' target audience broad. Furthermore, it is expected that Incorporated Administrative Agencies and Designated Corporations will also undertake initiatives aligned with the Guidelines, and it is anticipated that local public entities will use them as a reference.

The government information systems covered by The Guideline for Procurements and Utilizations of Generative AI are those that include text-generating AI as a component. However, systems handling specially designated secrets, those containing important economic security information or confidential documents, and those handling information deeply related to public safety and order are excluded. AI technologies such as image/video generation and AI agents may become subject to The Guideline for Procurements and Utilizations of Generative AI in the future, as needed.

2.3.3 AI Governance

Each ministry and agency is required to appoint a Chief AI Officer (CAIO), with this role to be filled by a government official at the level of Chief Information Officer or Deputy Chief Information Officer. The CAIO serves as the central point for establishing and implementing AI governance within their ministry or agency. They monitor the utilization status of generative AI systems and determine whether reporting to the Advanced AI Utilization Advisory Board is necessary.

The Digital Agency will serve as the secretariat for the Advanced AI Utilization Advisory Board. Its responsibilities include facilitating the board's meetings, introducing discussions held there, and providing necessary information such as the status of generative AI utilization and governance within each ministry and agency. The Advanced AI Utilization Advisory Board will consist of experts, including private-sector experts and government officials, and will provide cross-governmental advice.

Furthermore, the Digital Agency will establish an AI Consultation Desk and set up a system to proactively accept consultations from ministries and agencies regarding the procurement and utilization of generative AI.

2.3.4 Management of High-Risk Generative AI

The Guideline for Procurements and Utilizations of Generative AI mandate that CAIO should report to the Advanced AI Utilization Advisory Board and seek its advice when the generative AI being utilized is high-risk.

Examples of cases likely to be considered high risk include situations where the AI uses personal

information, is used in operations affecting human life, body, or property, or poses a risk of infringing rights. To determine whether generative AI is high-risk, the Guidelines provide a "High-Risk Assessment Sheet" that evaluates four risk axes: A. Scope and types of users, B. Characteristics of operations using generative AI , C. Presence of confidential information or personal data in training generative AI, etc. , and D. Utilization involving the judgment by government staff on output results .

2.3.5 Procurement Rules

Regarding contracts between ministries/agencies and vendors when introducing generative AI, three scenarios are considered: A) Cases where the generative AI system is used without conducting individual development, by agreeing to standard terms and conditions or rules, etc ; B) Cases where the generative AI system is used without conducting individual development, with individual contracts concluded in addition to agreeing to standard terms and conditions or rules, etc ; C) Cases where individual development of the generative AI system is conducted, and individual contract is concluded .

The Guideline for Procurements and Utilizations of Generative AI require that, for any of the above cases A through C, the "Procurement Check Sheet" (Appendix 3) and "Contract Check Sheet" (Appendix 4) of the Guideline be utilized during procurement — that is, when proceeding with procedures toward contracting with the vendor. These check sheets must be reviewed, and where necessary, the items listed on them must be added to the contract itself or to the procurement specifications attached to the contract and constituting its content.

The Procurement Check Sheet, referencing guideline such as AI Guidelines for Business, consists of 29 items: AI governance of generative AI suppliers, appropriate input/output and data handling, ensuring quality of LLMs and services including prevention of the output including false/incorrect information, responding appropriately to risks particular to generative AI systems, ensuring proper handling for public use cases (i.e. including indication that the output is generated by generative AI), protection of personal information and intellectual property, assurance of security and explainability, and more.

The Contract Check Sheet consists of 8 items: ownership of rights concerning inputs of generative AI systems, the scope of provider obligations, ownership of intellectual property rights related to outputs, the scope of provider obligations in response to risk cases particular to generative AI systems, the scope of provider obligations regarding the maintenance of expected quality standards and environmental considerations, and other matters .

2.3.6 Utilization of Government Cloud

Government agencies and other entities have an obligation to consider utilizing the Government Cloud when establishing information systems for implementing their administrative duties (Article 23, Paragraph 2 of the Advancement of Government Administration Processes that Use Information and Communications Technology (Act No. 151 of 2002)). The Guideline for Procurements and Utilizations of Generative AI also emphasize that it is important for national administrative agencies, etc., to actively utilize generative AI systems provided on common platforms such as the Government Cloud when newly introducing generative AI.

2.4 The Act on Promotion of Research and Development, and Utilization of AI-related Technology (AI Act)

2.4.1 About the AI Act

Enforced on September 1, 2025, the AI Act consists of 28 articles and 2 supplementary provisions.

The background to enacting the AI Act lies in Japan lagging behind other countries in AI research, development, and utilization. For example, according to the Ministry of Internal Affairs and Communications' Information and Communications White Paper (2025), the percentage of people in Japan who use (or have used) generative AI is 26.7%, compared to 68.8% in the United States and 81.2% in China, indicating Japan's lower rate relative to other nations. Japan also lags in other areas such as the number of models developed, investment amounts, and patent applications. Reasons for the slow adoption of AI among the public include concerns about risks like information leaks, insufficient understanding of AI's benefits, and worries about its potential use in crime.

To address public apprehension about AI—a key factor in low adoption rates—the AI Act aims to alleviate these concerns by ensuring transparency (Article 3, Paragraph 4). Furthermore, recognizing that the government's proactive use of AI to demonstrate its use cases and benefits can motivate citizens and dispel anxieties, the Act explicitly states its intent to promote active AI utilization (Article 4).

Furthermore, the AI Act establishes definitions in Article 2. The term "AI-related technologies" defined therein includes generative AI, but is not limited to it. It also encompasses related technologies such as semiconductor technologies that accelerate data learning during development and "digital watermarking"—embedding identifying information into content to indicate its AI-generated origin.

2.4.2 Government Command Center Function and Authority

The AI Act recognizes AI as a "technology forming the foundation for the development of Japan's economy and society" (Article 1, Article 3, Paragraph 2) and aims to promote and regulate its development and use by the state and government.

It establishes an "Artificial Intelligence Strategic Headquarters" headed by the Prime Minister (Article 19) and further states the appointment of a new "Minister in Charge of Artificial Intelligence Strategy" (Article 23, Paragraph 1). The Artificial Intelligence Strategic Headquarters was established on September 1, 2025, and the Minister in Charge of Artificial Intelligence Strategy was appointed. This headquarters will formulate basic policies concerning the promotion of AI research, development, and utilization (Article 20).

The Artificial Intelligence Strategic Headquarters possesses certain authorities. Article 25 of the AI Act states that the Artificial Intelligence Strategic Headquarters may request the submission of materials, the expression of opinions, explanations, and other necessary cooperation from relevant administrative agencies, local governments, independent administrative agencies, etc., and, when particularly necessary, from other entities as well. Furthermore, the national government may provide guidance, advice, information, and take other necessary measures for research institutions and utilization buUtilizing Businesssinesses (Article 16). Businesses that do not cooperate with national government measures may have their names publicly disclosed as a "necessary measure" under these provisions, meaning the authority held by the national government and the AI Strategic Headquarters can carry de facto coercive force.

Regarding the authority of the National AI Strategic Headquarters, Article 9 of the Supplementary Resolution to the AI Bill serves as a reference. Article 9 of the Supplementary Resolution states: "When conducting investigations, guidance, advice, etc., for AI Utilizing Business Operator, etc., care shall be taken to avoid imposing excessively burdensome requirements or demanding excessive information disclosure, while considering the protection of trade secrets and intellectual property rights of such businesses. On the other hand, regarding matters that may pose significant risks, consider effective measures for utilization

operators, etc., that do not comply with guidance or advice, and take necessary measures based on the results."

As described above, violations of the AI Act are subject only to de facto enforcement, with no penalty provisions established. However, Article 2 of the Supplementary Provisions, the "Review" provision, states that the implementation status of the AI Act shall be reviewed in light of domestic and international trends surrounding AI and changes in socio-economic conditions , and necessary revision measures shall be taken if required. Therefore, for example, if compelled by necessity, such as in cases where AI products or services significantly harm the rights and interests of citizens, the possibility of establishing penalty provisions within the AI Act cannot be ruled out.

2.4.3 Responsibilities of Businesses

An AI Utilizing Business Operator refers to any entity intending to develop or provide products or services utilizing AI, or any other entity intending to utilize AI-related technologies in its business activities.

Article 7 of the AI Act states that AI Utilizing Business Operator must cooperate with the measures of the national and local governments. The measures with which AI Utilizing Business Operator must cooperate are those formulated and implemented by the national and local governments concerning the promotion of research, development, and utilization of AI-related technologies. While Article 8 of the AI Act states provisions concerning the obligations of citizens, stating that "citizens shall endeavor to cooperate with the measures," Article 7 concerning AI Utilizing Business Operator explicitly imposes a heavier obligation on AI Utilizing Business Operator by stating that they "shall cooperate."

In addition to this obligation to cooperate with measures, as described above, if an AI user engages in inappropriate AI use that harms the rights and interests of citizens, they may be subject to investigation and guidance by the national government or the AI Strategy Headquarters and required to take corrective measures.

2.5 Priority Plans for Realizing a Digital Society

2.5.1 What is the Priority Plan?

The Digital Agency annually publishes the "Priority Plan for Realizing a Digital Society" (hereinafter referred to as the "Priority Plan"). This is based on Article 39 and other provisions of the Basic Act on the Formation of a Digital Society (Act No. 35 of 2021). It is decided by the Cabinet and outlines the government's policy for Japan's digitalization.

The Key Plan approved by the Cabinet on June 13, 2025, consists of the following five pillars: ① Promoting the digitalization of society as a whole through the thorough utilization of technologies such as AI and digital technologies, ② Establishing AI-friendly environments (systems, data, communication infrastructure), ③ Collaboration for competition and growth, ④ Initiatives for forming a safe and secure digital society, ⑤ Strengthening Japan's DX promotion capabilities (securing and developing digital talent and establishing systems). Policy implementation will be guided by these five pillars.

The priority plan lists AI-related measures such as the following. Budgets will be allocated for the measures outlined in these priority plans.

2.5.2 Examples of Measures

(1) Government AI

Government AI will utilize large language models (LLMs) in the administrative sector. As of October 2025, the Digital Agency has established and begun using the generative AI environment "Gen'nai" as part of its Government AI initiatives. Gennai enables selective use of AWS "Nova Lite" and Anthropic's "Claude3 Haiku" and "Claude3.5 Sonnet" for tasks like chat and document creation. For administrative practical uses, such as searching past Diet responses or checking for errors in official documents, it allows access to internally developed AI. Government AI is built on the Government Cloud and will be made available not only to central ministries and agencies but also to local governments. This enables even small municipalities with limited budgets and personnel to access a certain level of AI services, such as document creation support and inquiry handling, through a shared platform. Utilizing AI across the entire administration will advance operational efficiency and enhance policy formulation, contributing to solving structural challenges like labor shortages and delayed decision-making.

(2) Promotion of Open Data

As part of efforts to open public data held by administrative agencies, the government will re-examine existing approaches, including the role of open data as AI training data, with an eye toward future utilization through machine processing like generative AI.

(3) Development of AI Computing Resources and Data Centers

Demand for data centers is rapidly expanding due to the advancement of AI usage and increased communication traffic. Therefore, the government will accelerate the decentralization of data centers supporting AI computing resources and public/private systems and data to suitable locations in regional areas.

(4) Security for AI

The government will formulate and publish guidelines for the safe and effective development and provision of AI in the security field by the end of March 2026. Furthermore, by the end of March 2026, it will establish a research hub in North America to promote joint research projects on ensuring AI safety and commence collaborative research on AI safety with specialized institutions in the United States and other countries.

(5) AI Talent Development and Securing

To advance AI policies, cultivating and recruiting the digital talent that forms their foundation is essential. The priority plan states that, based on the "Digital Rural Nation Vision Comprehensive Strategy," efforts will proceed aiming to cultivate 2.3 million digital professionals by fiscal year 2026.

3. Intellectual Property Subcommittee on Legal Systems, Copyright Subcommittee, Cultural Affairs Council: "General Understanding on AI and Copyright in Japan" (March 2024)

3.1.1 Structure and Background of This Document

Concerns and questions regarding copyright have been raised by various stakeholders, including copyright holders and AI developers, concerning generative AI. This document was compiled to address the need to resolve such concerns about the relationship between generative AI and copyright. Recognizing the current lack of accumulated case law and judicial precedents on this relationship, it aims to organize and disseminate the government's interpretation regarding generative AI and copyright.

Article 30-4 of the Japanese Copyright Act exists. This provision generally permits the use of copyrighted works for the purpose of information analysis. This document presents the government's interpretation of Article 30-4, making it significant for practical application of the Copyright Act.

3.1.2 Contents of this document

(1) Development and Training Stage

1) Article 30-4 of the Copyright Act

Whether for pre-training or fine-tuning, collecting and processing copyrighted works as training data constitutes "reproduction" of the work. Without the copyright holder's permission, this would normally constitute copyright infringement. The underlying principle protecting copyright holders is that acts of "enjoying" the work (i.e., acts aimed at obtaining the utility of satisfying the intellectual or emotional needs of viewers, etc., through viewing, listening, etc., of the work) should be compensated to the copyright holder. For novels, "reading" is enjoyment; for music, "listening" is enjoyment; for videos, "viewing" is enjoyment. Conversely, if the purpose is not to enable enjoyment, no compensation is conceivable, and the economic interest warranting protection ceases to exist. Therefore, regardless of whether the purpose is non-profit or research-based, the copyright holder's permission is not required (Article 30-4 of the Copyright Act). Analytical acts, including AI training, are explicitly defined as typical examples of this exemption.

Therefore, the reproduction of works during the development and training phases is generally lawful. On the other hand, when reproduction of a work occurs for the purpose of intentionally training a model to output all or part of the creative expression contained in the training data (such as intentionally inducing "overfitting"), it is assessed that enjoyment purposes coexist. This document states that Article 30-4 of the Copyright Act does not apply when such enjoyment purposes coexist. Regarding RAG, this document similarly states that Article 30-4 does not apply when the purpose is to output all or part of a work.

Furthermore, the proviso to Article 30-4 of the Copyright Act states that the provision does not apply "where, in light of the type and purpose of the work and the manner of use, the use would unreasonably prejudice the interests of the copyright holder." This document states that even if a large number of works with similar ideas or styles are generated, the proviso does not apply. Furthermore, this document cites the reproduction of "a database work organized in a form suitable for information analysis" as an example of a case falling under the proviso. Here, "database work" refers not to a database where each individual data item

is a work, but to a database where the selection or systematic arrangement of information possesses creativity, and the database itself is recognized as a work.

2) Article 47-5 of the Copyright Act

This document states that even when the purpose of enjoying the subject work coexists during information analysis for developing and training generative AI, and Article 30-4 does not apply, Article 47-5 of the Copyright Act may still apply. Article 47-5 is a limitation provision concerning acts of using a work for the purpose of "performing information analysis by computer and providing the results thereof" (limited to minor use, paragraph 1, item 2) and preparatory acts for such use (paragraph 2).

(2) Generation and Utilization Stages

This document assumes that copyright infringement involving AI-generated works is assessed using the same framework as general copyright infringement: (1) similarity and (2) reliance .

1) Similarity

This document states that similarity judgments for outputs from generative AI should be made using the same standards as for human-created works.

2) Reliance

This document states that reliance is recognized in the following cases: ① When it can be established that the AI user was aware of the existing work, and ② When the AI user was unaware of the existing work, but the work was included in the AI training data. As examples for case ①, this document cites situations where the user inputs the existing work itself (e.g., in Image to Image, where an image is input as an instruction to the AI to generate another image as output) or inputs specific proper nouns like the title of an existing work. In other words, reliance exists not merely when an image the user knows happens to be output, but specifically when the user attempts to generate an image they know.

(3) Copyrightability of AI-Generated Works

This document first states that AI cannot be a copyright holder. It then states that whether an AI user can become the copyright holder should be considered similarly to the determination of authorship under traditional interpretations of copyright law. Referencing existing court precedents on joint works, it suggests that if the instructions given to the generative AI remain mere ideas that do not amount to expression, the AI-generated output is unlikely to be recognized as a copyrightable work. Furthermore, it proposes that when determining copyrightability, factors such as those listed below in ① to ③ should be considered.

(4) Factors to Consider When Determining Originality

① Volume and content of instructions/input (prompts, etc.)	When generating AI-created content, detailed instructions that explicitly specify elements constituting creative expression are likely to increase the likelihood of being evaluated as having creative contribution. Conversely, even lengthy instructions that merely outline ideas not reaching the level of creative expression are unlikely to influence the determination of creative contribution.

② **Number of Generation Attempts**	The number of attempts itself is not considered to affect the determination of creative contribution. However, attempts combined with ①—that is, repeated attempts involving reviewing the generated output and modifying instructions or inputs—may be considered to establish originality.
③ **Selection from Multiple Generated Outputs**	The mere act of selection itself is not considered to affect the determination of creative contribution. However, since some acts that are typically considered creative include selection as an element, the relationship with such acts also needs to be considered.

Furthermore, it is generally considered that parts where humans have added or modified elements that can be regarded as creative expression are recognized as having originality. However, it is stated that this does not affect the originality of other parts.

(5) Other Issues

This document states that whether copyright holders of works contained in the data used for training can demand the removal of such data from a trained model must be determined considering future technological trends. Regarding "compensation for copyright holders," this document notes that introducing a compensation payment system under the Copyright Act as a means of compensation is difficult to justify theoretically. However, considering the realization of a virtuous cycle in content creation, it points out the need to explore promoting compensation in the market through technological and conceptual developments, as a discussion extending beyond the framework of the Copyright Act. Furthermore, this document points out that acts of distributing works by claiming they are copyrighted works when they are not, if done in transactional contexts such as copyright license agreements, may give rise to liability for breach of contract. it could also be considered fraud under civil law for deceiving the other party into delivering consideration or property, potentially constituting a criminal offense under the Penal Code. The document concludes that further discussion is needed regarding the relationship with copyright law, including whether protection under the Copyright Act is appropriate.

3.1.3 Conclusion

This approach states that future reviews should particularly focus on: ① cases and suspected cases of copyright infringement arising from AI development and use; ② the development status of AI and related technologies; and ③ the status of discussions on AI and copyright in other countries.[23] In Japan, it was reported in August 2025 that multiple newspapers sued Perplexity for copyright infringement, and future developments are being watched closely.

3.2 Study Group on Intellectual Property Rights in the AI Era "Interim Summary of the Study Group on Intellectual Property Rights in the AI Era"

3.2.1 Structure and Background of This Document

This document was prepared by the Study Group on Intellectual Property Rights in the AI Era (Cabinet Office Intellectual Property Strategy Promotion Office) against the backdrop of rapidly spreading generative AI raising concerns about the mass production of outputs indistinguishable from creative works , thereby

[23] The Intellectual Property Promotion Headquarters' "Intellectual Property Promotion Plan 2025: IP Transformation" (June 3, 2025) also refers to this concept on page 16.

bringing new friction with intellectual property rights to the fore.[24] This initiative stems from the 2017 "Report of the Committee on New Information Assets," which proposed directions for examining rights limitations related to providing training data, the copyrightability of AI-generated works, and AI-generated works similar to existing copyrighted works. Recognizing the subsequent dramatic increase in technology and usage, the Intellectual Property Promotion Plan 2023 positioned "The Role of Intellectual Property in the Generative AI Era" as a key policy initiative, leading to the discussions of this review committee. Concurrently, the plan clearly aims to promote the development, provision, and use of generative AI while ensuring appropriate responses to concerns and risks.

3.2.2 Basic Perspectives

This document's fundamental perspectives are based on three pillars: ① Strengthening Industrial Competitiveness, ② Promoting AI Technological Advancement and Protecting Intellectual Property Rights, and ③ An International Perspective.[25] ① "Strengthening Industrial Competitiveness" aims to promote the development, provision, and use of generative AI, create added value across a wide range of industries under a fair and free socio-economic environment, and enhance Japan's industrial competitiveness. ② "Promoting AI Technological Advancement and Protecting Intellectual Property Rights" aims to establish measures that promote the appropriate advancement of AI technology while ensuring the proper protection of intellectual property rights in the development, provision, and use of generative AI. This perspective considers the future 5 to 10 years ahead, anticipating AI's integration into daily life and the potential for new creations enabled by AI. ③ "International Perspective" refers to the fact that AI facilitates international circulation and presents cross-border challenges. This perspective aims for measures that take into account international trends.

3.2.3 Legal Measures

(1) Response under Copyright Law

During the training phase of AI development using copyrighted content, the application of Article 30-4 of the Copyright Act—which generally permits use without permission for the purpose of information analysis—is typically assumed.[26] However, this does not apply when the purpose of outputting expressions from specific works coexists, or when the purpose of enjoying the thoughts or sentiments expressed is co-exested, or when it unjustly harms the rights holder's interests.[27] During the generation and utilization stages, infringement is determined based on two criteria: "similarity" and " reliance ." If the relevant work is included in the training data, reliance may be presumed. Conversely, reliance may be negated if technical measures are implemented to prevent the output of creative expressions. Furthermore, the concepts of presumption and rebuttal of reliance, along with the potential liability for businesses, are also illustrated in the Cabinet Office Intellectual Property Strategy Promotion Office's "Interim Summary of the AI Era Intellectual Property Rights Review Committee - A Guide for Rights Holders" (hereinafter referred to as the "Guide for Rights

[24] AI Era Intellectual Property Rights Review Committee "AI Era Intellectual Property Rights Review Committee Interim Summary" p. 3 (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)
[25] AI Era Intellectual Property Rights Review Committee "AI Era Intellectual Property Rights Review Committee Interim Summary" p. 12 (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)
[26] AI Era Intellectual Property Rights Review Committee "AI Era Intellectual Property Rights Review Committee Interim Summary" Page 14 (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)
[27] AI Era Intellectual Property Rights Review Committee "AI Era Intellectual Property Rights Review Committee Interim Summary" pp. 37-38 (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)

Holders"), which is an edited version of the interim summary for rights holders.[28] Regarding whether AI-generated works can be protected as copyrighted works, it is indicated that this will be determined on a case-by-case basis, taking into comprehensive consideration the extent to which humans used AI as a "tool" for creation, along with the level of creative intent and creative contribution accumulated.[29]

(2) Relationship with Intellectual Property Laws Other Than Copyright Law

1) Trademark Law

Trademark law is a system aimed at maintaining the business reputation of trademark users and protecting consumer interests; it is not intended to protect creative works. Therefore, regardless of whether a mark was created by a natural person or generated by AI, it can be registered unless it falls under statutory grounds for refusal, meaning AI-generated marks can also be protected (Trademark Act Articles 3 and 4). Infringement determinations continue to be made comprehensively based on the identity or similarity of the designated goods/services, the identity or similarity of the marks, and the likelihood of consumer confusion.[30] Regarding the training phase, training AI with data containing registered trademarks does not constitute "use in connection with the designated goods/services" as intended by the Trademark Act and is not an act subject to trademark rights.[31]

2) Design Law

Design infringement occurs when an act constitutes "working" (creation, use, provision, etc., of images related to the design), including image designs. During the learning stage, training AI with data containing registered designs, etc., does not constitute "implementation" under Article 2, Paragraph 2 of the Design Act; therefore, the effect of the design right does not extend to such acts.[32] During the generation and utilization stages, infringement occurs if an AI-generated work incorporates another party's registered design, and its use constitutes an act subject to the effect of the design right. Furthermore, the impact of AI mass generation on the examination practice for novelty and non-obviousness requires future consideration.[33]

3) Unfair Competition Prevention Act

---

[28] Cabinet Office Intellectual Property Strategy Promotion Office "Study Group on Intellectual Property Rights in the AI Era 'Interim Summary' - A Guide for Rights Holders" (November 2024)
(https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/2411_tebiki.pdf)
The overall summary is described on pages 21 and 25, the learning stage on page 22, and the generation and utilization stage on page 30.

[29] AI Era Intellectual Property Rights Review Committee "AI Era Intellectual Property Rights Review Committee Interim Summary" Page 20 (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)

[30] Reliance is not an infringement requirement. See the AI Era Intellectual Property Rights Review Committee's "Interim Summary of the AI Era Intellectual Property Rights Review Committee," pp. 27-28 (May 2024)
(https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)

[31] AI Era Intellectual Property Rights Review Committee, "Interim Report of the AI Era Intellectual Property Rights Review Committee," p. 27 (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)
Cabinet Office Intellectual Property Strategy Promotion Office "AI Era Intellectual Property Rights Review Committee 'Interim Summary' - A Guide for Rights Holders" p. 23 (November 2024)
(https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/2411_tebiki.pdf)

[32] AI Era Intellectual Property Rights Review Committee "AI Era Intellectual Property Rights Review Committee Interim Summary" p. 25 (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)

[33] AI Era Intellectual Property Rights Review Committee "AI Era Intellectual Property Rights Review Committee Interim Summary" pp. 25-26 (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)

a. Regulation of Indications of Source (Article 2, Paragraph 1, Items 1 and 2 of the Unfair Competition Prevention Act)

Regulations concerning well-known or famous "product indications" (indications of origin) apply regardless of whether the indication was created by humans or generated by artificial intelligence. Whether infringement occurs is determined based on factors such as appearance and name, specifically whether it causes confusion among consumers regarding the origin of the goods.[34] . Training AI models with data containing product indications during the learning phase itself is not considered "use" subject to regulation and does not constitute unfair competition.[35]

b. Product Form Imitation Regulation (Unfair Competition Prevention Act, Article 2, Paragraph 1, Item 3)

Regarding this regulation, "imitation" refers to creating a product with a substantially identical form by relying on the form of another's product (Article 2, Paragraph 5). It is important to note that mere similarity is insufficient; the requirements are "substantial identity" and "reliance."[36] During the training phase, training data that includes product forms does not constitute the transfer of imitation goods and is therefore not subject to regulation. Conversely, during the generation and utilization phases, AI-generated content that incorporates another party's product form becomes subject to regulation if its use satisfies both "reliance" and "substantial identity."[37]

c. Trade Secrets and Restricted-Access Data

It is important to note that if information is input into an external generative AI without a confidentiality obligation during the learning phase, thereby losing its confidential nature or restricted provision status, it may no longer be protected as a trade secret (Article 2, Paragraph 6 of the Unfair Competition Prevention Act) or restricted provision data (Article 2, Paragraph 7 of the Unfair Competition Prevention Act). During the generation and utilization stages, if a trained model or its output contains the original trade secret or restricted provision data, or something substantially equivalent to it, the use or disclosure of that model or output may constitute the use or disclosure of the original information. On the other hand, if a database identical to a substantially accumulated article database is publicly released as open data, it may be exempt from the restricted provision data regulations (Article 19, Paragraph 1, Item 9(b)).[38]

3.2.4 Technical Measures

---

[34] AI Era Intellectual Property Rights Review Committee "AI Era Intellectual Property Rights Review Committee Interim Summary" p. 28 (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)

[35] AI Era Intellectual Property Rights Review Committee "AI Era Intellectual Property Rights Review Committee Interim Summary" p. 30 (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)
Cabinet Office Intellectual Property Strategy Promotion Office "AI Era Intellectual Property Rights Review Committee 'Interim Summary' - A Guide for Rights Holders" p. 23 (November 2024)
(https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/2411_tebiki.pdf)

[36] AI Era Intellectual Property Rights Review Committee "AI Era Intellectual Property Rights Review Committee Interim Summary" p. 30 (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)

[37] AI Era Intellectual Property Rights Review Committee "AI Era Intellectual Property Rights Review Committee Interim Summary" p. 30 (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf); Cabinet Office Intellectual Property Strategy Promotion Office "AI Era Intellectual Property Rights Review Committee 'Interim Summary' - A Guide for Rights Holders" p. 28 (November 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/2411_tebiki.pdf)

[38] Study Group on Intellectual Property Rights in the AI Era "Study Group on Intellectual Property Rights in the AI Era Interim Summary" pp. 31-32 (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)

Technical countermeasures include explicit labeling of AI-generated content, digital watermarking, filtering via similarity detection or input/output restrictions, collection limitations via robots.txt or ID/password authentication, training interference noise, and the potential to track and exclude source training content.[39] Furthermore, crawling that bypasses ID/password authentication may constitute unauthorized access, potentially subjecting it to criminal penalties under the Unauthorized Access Prevention Act.[40]

3.2.5 Contractual Responses Regarding Compensation

Under the principle of freedom of contract, the validity of compensation agreements mutually agreed upon by parties is not impeded, regardless of whether rights restrictions exist.[41] Specific examples include: ① Paid provision of data for additional training (fine-tuning), ② Development and provision of generative AI by the creator themselves, and ③ Utilization of generative AI in the creator's own creative activities. Furthermore,[42] states that in the event of a dispute, resolution through alternative dispute resolution procedures such as civil litigation or mediation can also serve as a pathway for compensation.

3.2.6 Identifying Individual Issues and Their Solutions

Issues such as the protection of labor and artistic style that fall outside the scope of copyright protection, the possible application of publicity rights and other frameworks to protect voices,[43] the use of digital archives as training datasets, and matters related to deepfakes—including potential criminal and civil liabilities—are being identified as individual issues to be addressed.[44]

3.2.7 Cross-cutting Considerations

Law, technology, and contracts are mutually complementary. A policy is outlined to achieve a "virtuous cycle of creation" through collaboration among stakeholders, while linking with AI governance centered on safety, fairness, and transparency.[45]

3.2.8 Approaches to Protecting Inventions in Light of AI Technology Advancements

At present, AI cannot be said to be at the stage of autonomous creation; inventions created by humans

[39] AI Era Intellectual Property Rights Review Committee "AI Era Intellectual Property Rights Review Committee Interim Summary" p. 35 (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)
[40] AI Era Intellectual Property Rights Review Committee "AI Era Intellectual Property Rights Review Committee Interim Summary" p. 43 (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)
[41] AI Era Intellectual Property Rights Review Committee "AI Era Intellectual Property Rights Review Committee Interim Summary" p. 45 (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)
[42] AI Era Intellectual Property Rights Review Committee "AI Era Intellectual Property Rights Review Committee Interim Summary" pp. 47-48 (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)
[43] See also Intellectual Property Policy Office, Bureau of Economic and Industrial Policy, Ministry of Economy, Trade and Industry, "Clarification of the Current Approach under the Unfair Competition Prevention Act Regarding the Publicity Value of Portraits and Voices" (2025). Regarding this point, while jurisdictions such as the Civil Code of the People's Republic of China or the New York Civil Rights Law may grant legal protection to "voice" as part of personality rights or portrait rights, in Japan, protection may be sought through case law principles regarding portrait rights or publicity rights, or through approaches under copyright law for performances using "voice," or approaches under the Trademark Act and Unfair Competition Prevention Act seeking protection for trademarks (sound trademarks) and product identifications using "voice." A similar approach can be seen in *Lehrman et al. v. Lovo Inc.*, Case No. 1:24-cv-03770-JPO (S.D.N.Y., July 10, 2025).
[44] AI Era Intellectual Property Rights Review Committee "AI Era Intellectual Property Rights Review Committee Interim Summary" p. 51 ff. (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)
[45] Study Group on Intellectual Property Rights in the AI Era "Study Group on Intellectual Property Rights in the AI Era Interim Report" p. 66 ff. (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)

using AI are the premise. Therefore, the recognition of inventors can apply the conventional approach (creative involvement in the characteristic part).[46] Furthermore, for assessing inventive step, understanding the state of the art is a prerequisite, and refining examination practices and utilizing AI in examination are key challenges.[47]

3.2.9 Summary

This interim summary, in the dawn of rapid generative AI development, outlines a policy to mutually complement the relationship between intellectual property and artificial intelligence through legal, technical, and contractual means. It states that, under strong inter-ministerial coordination, efforts should focus on promoting awareness and private-sector initiatives to realize an AI governance-based ecosystem.[48] Furthermore, it concludes that all stakeholders—including AI developers, providers, and users—are expected to voluntarily advance initiatives by referring to the concepts and examples outlined in this document. This is to achieve both the promotion of AI technological progress and the appropriate protection of intellectual property rights, while also ensuring consistency with the "AI Business Operator Guidelines" issued by the Ministry of Internal Affairs and Communications and the Ministry of Economy, Trade and Industry.[49]

[46] Tokyo District Court Decision, May 16, 2024 (Court Website), Intellectual Property High Court Decision, January 30, 2025 (Court Website) both state that AI itself cannot be an "inventor." This aligns with Thaler v Comptroller-General of Patents, Designs and Trade Marks [2023] UKSC 49 (UK Supreme Court), 0008/20 (Designation of inventor/DABUS) 21-12-2021 (European Patent Office), and Thaler v. Vidal, 43 F.4th 1207 (Fed. Cir. 2022) (U.S. Court of Appeals for the Federal Circuit).

[47] AI Era Intellectual Property Rights Review Committee "AI Era Intellectual Property Rights Review Committee Interim Summary" p. 81 ff. (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)

[48] AI Era Intellectual Property Rights Review Committee "AI Era Intellectual Property Rights Review Committee Interim Summary" p. 90 (May 2024) (https://www.kantei.go.jp/jp/singi/titeki2/chitekizaisan2024/0528_ai.pdf)

[49] Not only the "AI Business Operator Guidelines," but also this "Interim Report of the Study Group on Intellectual Property Rights in the AI Era" and the Cabinet Office Intellectual Property Strategy Promotion Office's "Interim Report of the Study Group on Intellectual Property Rights in the AI Era - A Guide for Rights Holders" are referenced in the Intellectual Property Promotion Headquarters' "Intellectual Property Promotion Plan 2025 ~IP Transformation~" (June 3, 2025), pp. 16-17.

4. The So-Called Triennial Review of the Personal Information Protection Law - Focusing on AI-Related Issues

4.1 Introduction

This chapter summarizes the series of deliberations conducted by the Personal Information Protection Commission Japan and relevant stakeholders during the triennial review of Japanese Act on the Protection of Personal Information. The review committee discussed a broad of topics, including the penalty payment system, class action lawsuit system, and utilization of personal data. This section provides an overview of these deliberations, with particular emphasis on issues related to AI governance.

4.2 Background and History of the Triennial Review[50]

Since its enactment in 2003, Act on the Protection of Personal Information has been amended multiple times to reflect changes in society and technological progress. The supplementary provisions of the 2020 amendment require a review every three years after enforcement, taking into account international trends and technological developments. In line with this, the amended Act came into full effect in April 2022, and the review process began in November 2023.

In June 2024, an "Interim Summary" was published, covering topics such as the potential introduction of a penalty payment system and a system for organizations to request injunctions, the appropriate approach to consent regulations, and risks related to the use of AI and big data. A public comment period followed until late July of the same year, generating 2,448 submissions — approximately 1,486 of which concerned generative AI — highlighting the strong societal interest in the intersection of AI and personal information protection. In October, the “Future Direction of Review” was issued based on these comments, identifying responses to emerging technologies, including profiling, as key areas for focused consideration.

4.3 Direction of the Review

The following sections outline specific regulatory directions envisioned by the Personal Information Protection Commission, focusing solely on AI - related aspects.

4.3.1 Relaxation of Consent Requirements in AI Development[51]

The review addresses the increasing need for cross-sector data sharing and analysis to compile statistical information for AI development, which can be categorized as production of statistical information. Given that the creation and use of fully anonymized statistical data poses minimal risk to individual rights, the Commission is considering allowing measures to permit the transfer of personal data to third parties without consent and to allow the acquisition of publicly available sensitive information, provided the data is used exclusively for statistical purposes.

[50] Personal Information Protection Commission "Regarding the Future Approach to the 'Review of the Personal Information Protection Act: The So-called Triennial Review'" (January 22, 2025)
[51] Personal Information Protection Commission, “On the Institutional Issues Concerning the Act on the Protection of Personal Information,” Part I, Section 1(1) (March 5, 2025)

4.3.2 Obligation to Inform Regarding Acquisition of Facial Data, etc.

Among biometric data, facial feature data possesses characteristics that make it more likely to lead to typical infringements of an individual's privacy compared to other biometric data. This is because it can be easily (and therefore obtained in large quantities) collected without an individual’s awareness, and it has high uniqueness and immutability, with its ability to identify a specific individual continuing semi-permanently. Accordingly, proposed measures include mandatory notification of certain matters concerning the handling of facial data, granting individuals the right to request suspension of use irrespective of legality, and prohibiting third-party disclosure under opt-out systems.

4.3.3 Regulatory Relaxation for Academic Research by Hospitals, etc.

The review is considering explicitly classifying institutions or organizations providing medical care within the scope of "academic research institutions, etc." This would allow such entities to invoke exceptions for academic research purposes, including exemptions from restrictions on use for purposes other than the original intent, acquisition of sensitive personal information, and third-party provision.

4.4 Future Challenges and Outlook

This chapter has demonstrated that revisions to personal information protection legislation are under consideration from multiple perspectives. Each of these considerations will require concrete institutional design. Moving forward, as these considerations are translated into concrete institutional frameworks, it will be necessary to advance institutional design while striking an appropriate balance and taking into account the points raised.

5. Industry Associations and Corporate Initiatives

5.1 Industry Association Initiatives

The sharing of insights and examination of best practices concerning AI governance are advancing across industries. Groups specializing in AI governance have been established within existing organizations, and new industry associations and corporate alliances continue to be launched one after another. Through such inter-company collaboration, the development of various guidelines and tools is accelerating.

Below, we outline notable initiatives and the latest trends from industry associations that contribute to building AI governance frameworks.

5.1.1 AI Governance Association (AIGA)

The AI Governance Association (AIGA) is an industry association aiming to maximize the value of AI technology and promote the social implementation of AI governance for maximizing AI technology value and managing risks. It focuses on risk management for AI utilization, sharing insights and identifying challenges across companies and industries, making policy proposals on advancing AI-related policies domestically and internationally, and examining certification systems, evaluation criteria, and other related initiatives.[52] In the spring of 2025, it developed the "AI Governance Navigator," enabling companies to self-assess their AI governance frameworks, risk management, and organizational maturity. Using this tool, companies can visualize their current status through a four-tier evaluation (score) for key perspectives such as "Internal Rules & Risk Management," "Organizational Structure," and "Technology-Based Risk Verification." This enables them to identify gaps in their existing AI governance frameworks and objectively assess their level against industry peers. The "AI Governance Navigator" will continue to be updated to reflect the latest technological and standard trends.[53]

5.1.2 Japan Deep Learning Association (JDLA)

The Japan Deep Learning Association (JDLA) is an industry group aiming to enhance Japan's industrial competitiveness through technologies centered on deep learning. It works to establish domestic guidelines and promote practical initiatives in the field of AI governance.[54] In response to the rapid proliferation of generative AI, JDLA published the "Guidelines for Using Generative AI (Version 1)" and its explanatory notes in May 2023 as a template outlining basic rules and precautions for companies and local governments utilizing generative AI. In October of the same year, the content was updated (Version 1.1) to facilitate addressing practical challenges when introducing systems combining diverse generative AI tools. Furthermore, in September 2025, the "Generative AI Development Contract Guidelines" were announced. These guidelines aim to facilitate contract formation and promote the industrial application of deep learning technology, specifically addressing contracts between users and vendors when outsourcing system development incorporating generative AI. Additionally, JDLA has established research groups to discuss

[52] AI Governance Association "Official Website" (https://www.ai-governance.jp/)
[53] AI Governance Association "【AIGA Online Symposium Report】Frontline Risk Response Seen Through AI Governance Navi ver1.0 Diagnostic Results" (https://www.ai-governance.jp/blog-articles/aigovernance-navi-1-0)
[54] Japan Deep Learning Association "Event Report – JDLA Connect: AI Strategy and Governance"（https://www.jdla.org/ai-dl-frontline/event-20250326-2/）

specialized themes that contribute to activities promoting the cross-cutting and substantive societal implementation of deep learning technology. These research groups examine topics such as the practice and evaluation of AI governance, handling personal information in AI data using deep learning, and approaches to AI quality assurance in contract formation. They have published multiple reports summarizing their research findings.[55][56]

5.1.3 Financial Data Utilization Association (FDUA)

The Financial Data Utilization Association (FDUA) is an industry organization that promotes AI and data utilization from the practical perspective of financial institutions, aiming to contribute to industry development and individual skill enhancement.[57] To establish an environment where financial institutions can safely and effectively utilize generative AI, it formulated the "Guidelines for the Development and Use of Generative AI in Financial Institutions (Version 1.0)" in August 2024. Furthermore, in July 2025, it published a revised version (Version 1.1) incorporating both the benefits and potential issues of AI agent utilization and adding new sections on AI governance. Additionally, it released the "FDUA Generative AI Utilization Assistant (Chatbot)" to provide concise answers to questions about AI usage, thereby strengthening support for practitioners.[58]

5.1.4 Japan Digital Health Alliance (JaDHA)

The Japan Digital Health Alliance (JaDHA) is a cross-disciplinary research organization aiming to appropriately evaluate the value derived from digital characteristics from the perspectives of clinical significance and healthcare economics, and aims to establish a flexible institutional and regulatory environment that keeps pace with technological progress.[59] To enable healthcare providers to safely and effectively utilize generative AI, it established the "Voluntary Guidelines for Providers Offering Generative AI-Based Services in the Healthcare Sector (Version 1.0)" in January 2024. Furthermore, in February of the following year, it revised and published Version 2.0, incorporating technological trends in generative AI, the "Guidelines for AI Providers" formulated by the Ministry of Economy, Trade and Industry and the Ministry of Internal Affairs and Communications, developments in related legal systems such as revisions to the Personal Information Protection Act, and other related legal and regulatory developments.[60]

5.2 Corporate Initiatives

Since Sony Group became the first Japanese company to establish AI ethics guidelines in 2018, major Japanese corporations have successively announced their own guidelines and principles for AI governance, codifying their philosophies and compliance requirements for AI development and use. Subsequently, in establishing AI governance frameworks, companies have addressed complex legal, ethical, and technical challenges by: establishing dedicated AI organizations reporting directly to senior management to oversee

[55] Japan Deep Learning Association "Guidelines for Using Generative AI" (https://www.jdla.org/document/)
[56] Japan Deep Learning Association "Generative AI Development Contract Guidelines" (https://www.ai-governance.jp/blog/achievement-250926)
[57] Financial Data Utilization Promotion Association "Corporate Overview" (https://www.fdua.org/information)
[58] Financial Data Utilization Promotion Association "Generative AI Working Group" (https://www.fdua.org/activities/generativeai)
[59] Japan Digital Health Alliance "About JaDHA" (https://jadha.jp/aboutus/jadha.html)
[60] Japan Digital Health Alliance "Press Release: Revised Guidelines for Generative AI Utilization Specialized in Healthcare - 'Generative AI Utilization Guide for Healthcare Providers' Version 2.0" (https://jadha.jp/news/news20250207.html)

company-wide strategy; clarifying risk management and ethical standards for AI utilization, including generative AI; and prioritizing transparent dialogue with stakeholders. In particular, companies like Sony Group[61] and Fujitsu,[62] which have worked to establish their frameworks relatively early, have built unique AI governance systems while maintaining alignment with international frameworks, comparable to multinational corporations outside Japan.

Below, we outline the key initiatives of major companies that have recently drawn attention for their efforts to establish AI governance frameworks.

5.2.1 Sony Group

Sony Group Corporation established the "Sony Group AI Ethics Guidelines" in September 2018, becoming the first Japanese company to introduce a comprehensive and systematic AI ethics policy. The guidelines outline seven principles, including "Realizing a prosperous life and a better society," "Protecting privacy," and "Respecting fairness." Subsequent internal organizational development followed, with the establishment of an AI Ethics Committee in 2019 and it also established a specialized department to provide AI ethics expertise in 2021. Furthermore, in 2021, internal standards for compliance in product and service development were defined, and an AI ethics risk review process was introduced into the product development lifecycle starting in July of that year. The company is also proactive in external dialogue. In May 2017, it became the first Japanese company to join the non-profit "Partnership on AI." Domestically, it participated in Keidanren's proposal formulation and the government's development of the "Human-Centered AI Society Principles," striving for collaboration with diverse stakeholders.

5.2.2 Fujitsu

Fujitsu Limited established the "Fujitsu Group AI Commitment" in March 2019, pledging to provide safe, secure, and transparent AI. In September of the same year, it established the Fujitsu Group AI Ethics External Committee. By obtaining and incorporating objective advice from external experts and reporting the committee's discussions to the Board of Directors, Fujitsu has promoted AI ethics as part of its corporate governance. In 2022, Fujitsu established a new AI Ethics Governance Office within the company. This office controls and promotes the ethical appropriateness of the social implementation of AI and advanced technologies, further strengthening ethical governance in AI development and utilization in line with international guidelines and legal frameworks. Furthermore, the company has established an AI Ethics Consultation Desk composed of specialized departments covering technology, business, human rights, and legal affairs, have created a system capable of addressing challenges from both implementation and user perspectives.[63]

5.2.3 NTT

Nippon Telegraph and Telephone Corporation (NTT Corporation) established regulations including the "NTT Group AI Charter" in June 2024 as the basic policy for AI utilization across NTT Group companies.

[61] Sony Group "AI Initiatives - Sony Group's Approach to Responsible AI" (https://www.sony.com/ja/SonyInfo/sony_ai/responsible_ai.html)
[62] Fujitsu "Fujitsu's AI Ethics Governance" (https://global.fujitsu/ja-jp/technology/key-technologies/ai/aiethics/governance)
[63] Fujitsu "Fujitsu's AI Ethics Governance" (https://www.meti.go.jp/shingikai/mono_info_service/ai_shakai_jisso/pdf/2022_008_02_00.pdf)

Based on these regulations, it has established a framework for group-wide AI risk management. Structurally, it appointed a Co-Chief Artificial Intelligence Officer as the top AI executive and newly established an AI Governance Office to advance AI governance. For risk management, the Group adopts a risk-based approach widely accepted internationally, including the Hiroshima AI Process—the international AI principles agreed upon at the G7 Hiroshima Summit—to address issues such as legal violations, contract breaches, and social/ethical criticism arising from AI use in business operations.[64]

Furthermore, NTT DATA Group, Inc. and its affiliated companies, as group companies, have been providing the "AI Governance Consulting Service" since autumn 2024. This service offers comprehensive support necessary for strengthening AI governance, from AI risk diagnosis to countermeasure implementation and operation.[65]

5.2.4 SoftBank

SoftBank Group Corp. has identified "Responsible AI" as the highest priority materiality among its sustainability materiality issues and aims to establish an appropriate group AI governance framework. Specifically, it established guidelines for generative AI usage in April 2023. Furthermore, in April 2024, it established an AI Ethics Committee, composed of external experts well-versed in AI and internal members, to serve as an advisory board for AI governance. By incorporating diverse perspectives and insights from external experts, it aims to achieve objective and highly effective AI governance based on a user perspective.[66] Furthermore, the company added an action statement on responsible AI to the "SoftBank Group Code of Conduct" applicable to all executives and employees, promoting the active and appropriate use of generative AI.

Furthermore, LINE Yahoo Corporation, a group company, established the "Expert Committee on AI Ethics" in 2021 within its predecessor, Z Holdings Corporation. In 2022, it formulated the "Basic Policy on AI Ethics." When internally releasing a chat-based generative AI tool in July 2023, it introduced a system requiring employees to understand the "Generative AI Usage Guidelines" and pass an e-learning test as conditions for use, promoting appropriate AI utilization by employees.[67]

5.2.5 ABEJA

ABEJA Inc. has been an early adopter of establishing an ethics policy among AI startups. In July 2019, it launched the "Ethical Approach to AI (EAA)" committee, composed of external experts, to discuss AI-related issues that are difficult to judge internally from ethical and legal perspectives and to establish a system to obtain advice.

In January 2022, the company formulated and implemented its own "AI Policy," initiating efforts to share an understanding of AI ethics with employees and customers. Furthermore, ABEJA employs multiple staff members who serve as committee members or experts on various government, international organization, and industry association committees concerning AI ethics. Leveraging this expertise, the company also began

[64] Nippon Telegraph and Telephone Corporation "Establishment of NTT Group AI Governance Regulations and Promotion Framework for AI Governance ~ Establishing Co-CAIO and AI Governance Office to Provide AI Customers Can Use with Confidence ~" (https://group.ntt/jp/newsrelease/2024/06/07/240607a.html)
[65] NTT DATA Group et al. "Launch of 'AI Governance Consulting Service' Supporting AI Risk Diagnosis through Countermeasure Implementation and Operation" (https://www.nttdata.com/global/ja/news/topics/2024/073100/)
[66] SoftBank "Establishes 'AI Ethics Committee' with Participation from External Experts" (https://www.softbank.jp/corp/news/press/sbkk/2024/20240430_01/)
[67] SoftBank Group: "Responsible AI" (https://group.softbank/sustainability/mission/materiality/responsibleai)

offering its "AI Ethics Consulting Service" externally starting in July of the same year. Through this service, it supports the establishment of AI governance frameworks for major corporations, including developing risk check systems and setting up AI ethics committees.[68]

5.2.6 Preferred Networks

Preferred Networks Inc. established an "AI Governance Promotion" organization to systematically strengthen AI security and risk management. It has set up a Risk Assessment Committee and a Security Committee from managerial and technical perspectives to conduct ethical and risk reviews and evaluations of AI development. Furthermore, it has formalized AI policies and development guidelines and made QA inspections, red teaming, and security inspections mandatory for quality assurance. Through a system implementing ethical reviews and risk assessments at the project level, development and operations are conducted with transparency and accountability. Furthermore, the company adheres to international codes of conduct and domestic guidelines on AI governance, working to build frameworks suited to real-world development practices.[69]

5.3 Summary

As seen in this chapter, efforts regarding AI governance are progressing both within industry associations and individual companies. Industry associations promote cross-sector knowledge sharing and guideline development through risk management and policy advocacy, providing a foundation for inter-company collaboration. Meanwhile, companies are establishing their own AI governance frameworks, embedding ethical standards and risk management internally while ensuring alignment with international standards, thereby striving to balance societal trust and competitiveness.

Moving forward, amid rapidly changing domestic and international regulations and international standards, companies will need greater flexibility to swiftly respond to shifts in the regulatory environment, societal demands, and advancements in AI technology. This will require management-led, phased efforts to establish, review, and improve governance frameworks. The accumulation of these efforts is expected to contribute to realizing a trustworthy AI society in Japan.

[68] ABEJA "ABEJA Supports Kyocera in Establishing AI Governance Framework" (https://prtimes.jp/main/html/rd/p/000000188.000010628.html)
[69] Preferred Networks "AI Vendor Initiatives for AI Security and Governance" (https://speakerdeck.com/pfn/20250717-awt-2025-tokyo-pfn-ai-governance)

Author Profile

- **Naohiro Furukawa**

  (Attorney at Law, ABEJA Inc., Representative of the AI and Law Society)

  After registering as an attorney, I joined an IT company and studied mathematics and programming. For about three years, I engaged in AI development work centered on image analysis AI, conducting research and implementation. Currently, I leverage my AI expertise to handle legal and risk management matters related to AI, providing AI risk management consulting services. I serve as a member of the Japan Deep Learning Association's "Committee on Law and Technology" and its Human Resources Development Committee, and am a specialist member of the OECD's Global Partnership on AI. Major publications include Q&A: Legal and Ethical Aspects of AI, Responsible AI and Rules, and An Overview of the EU AI Act.

- **Yoko Arisaka**

  (Attorney at Law (New York) , Sony Group Corporation)

  Graduated from the University of Tokyo Faculty of Law; completed LL.M. at UCLA School of Law. General Manager, Legal Section, Legal Department, Sony Group Corporation. AI-related contributions include articles in CHUOKEIZAI-SHA HOLDINGS, INC.'s "Business Home," KOUBUNDOU Publishers Inc.'s "Textbook on AI and Data Ethics," and Shoji Homu Co., Ltd.'s "NBL" and "Special Edition NBL." Member of the International Exchange Working Group of the AI and Law Society.

- **Hisako Takahashi**

  (Attorney at Law, ZeLo)

  Graduated from the University of Tokyo Faculty of Law in 2005, completed the University of Tokyo Law School in 2007, and earned an LL.M. at Stanford Law School in 2015.

  Registered as an attorney in 2008. Joined Mori Hamada & Matsumoto in 2009. Seconded to the Diet's Fukushima Nuclear Accident Independent Investigation Commission in 2011. Worked part-time at the International Labour Organization Office in Japan in 2013. Schneider Fellow at the World Resources Institute in 2015. Joined Mitsubishi Research Institute, Inc. in 2016, engaged in legal issue analysis and guideline development in the fields of advanced technologies including AI, sustainability, and energy. Joined ZeLo in 2021.

  Secretariat of the AI and Law Society since 2020; currently a member of the International Exchange Working Group.

- **Takashi Nakazaki**

  (Attorney at Law, Anderson Mori & Tomotsune Foreign Law Joint Venture, Auditor, Japan Institute of Health and Safety (JIHS))

  Graduated from the University of Tokyo Faculty of Law in 1998. After completing his LL.M. at Columbia University School of Law in 2008, he worked at Arnold & Porter LLP in Washington, D.C., USA. He also

served as a lecturer at Keio University Graduate School of Law. He is knowledgeable in cutting-edge fields and technologies such as data protection/privacy, IT, cybersecurity, AI/space law, as well as EU law and other overseas compliance matters. Participated in numerous expert panels for the Ministry of Economy, Trade and Industry, Ministry of Internal Affairs and Communications, Cabinet Office, and other government bodies. Authored and lectured extensively, including on "Generative AI Law and Governance," "AI White Paper 2025," and "An Overview of the EU AI Act." Member of the International Exchange Working Group of the AI and Law Society.

- **Hiroki Habuka**

  (Specially Appointed Professor, Kyoto University Graduate School of Law; CEO, Smart Governance Inc.; Attorney at Law admitted in Japan and New York**)**

  Specializes in law, corporate governance, and social governance in the AI and data society. Graduated from the University of Tokyo Faculty of Law and Law School, and Stanford Law School (Fulbright Scholar). In 2020, selected by the World Economic Forum as one of the "50 Most Influential People Transforming the Public Sector." Major publications include Introduction to AI Governance: From Risk Management to Social Design (Hayakawa Shinsho). Also serves as Representative Director of the AI Governance Association, Visiting Associate Professor at the University of Tokyo, and Fellow at CSIS (Center for Strategic and International Studies). Member of the International Exchange Working Group of the AI and Law Society.

- **Masaya Hayakawa**

  (Attorney at Law, Assistant Counselor, Strategy and Organization Group, Digital Agency)

  Completed the Graduate School of Law, Keio University in 2016. After working at Authense Law Office, assumed current position in April 2024. Member of the International Exchange Working Group of the AI and Law Society. Major publications include "An Overview of EU AI Law".

- **Marie Higuchi**

  (Attorney at Law, Siemens Healthcare K.K.)

  Completed the Graduate School of Law, Keio University in 2016. Provided legal support for overseas investments and joint venture launches at Credit Saison Co., Ltd., followed by responsibilities at The Pokémon Company including contract review, internal training, and anti-counterfeit measures. Currently holds a position in a legal counsel Siemens Healthcare K.K.. Member of the International Exchange Working Group of the AI and Law Society.

- **Takuya Hihara**

  (Specially Appointed Assistant Professor (Full-time), Integrated Research Division, Center for Social Technology Co-creation, Osaka University)

  Completed Doctoral Program in Law, Graduate School of Law, Ritsumeikan University, 2023. Doctor of Laws.

  After serving as a Research Associate at the Center for Legal and Political Studies, Kinugasa Research Institute, Ritsumeikan University (2023-2024) and a Research Associate at the OIC Research Institute,

Ritsumeikan University, assumed current position in April 2024. Also serves as a Visiting Researcher at the ELSI Center, Niigata University; Part-time Lecturer at Kyoto University of Foreign Studies; and Part-time Lecturer at Kansai University. Specializes in criminal law and AI and law. Researches autonomous vehicle legislation and economic crimes such as cybercrime, financial crime, and intellectual property crime facilitated by AI. Member of International Exchange Working Group of the AI and Law Society. Major publications include "The Use of AI and Criminal Law" (Seibundo, 2023).

- **Tomomi Fukutomi**

  (Attorney at Law, Oh-Ebashi Law Office)

  Completed the Graduate School of Law, Waseda University in 2010. Completed the LL.M. program at Northwestern Pritzker School of Law in 2019.

  On full-time secondment as Deputy Director to the International Investment Management Office, Security Trade Management Division, Trade Management Department, Trade and Economic Security Bureau, Ministry of Economy, Trade and Industry (METI) from December 2022 to June 2025. Handles domestic and international M&A, corporate law matters, Foreign Exchange and Foreign Trade Act compliance, and other economic security legislation, as well as consultations related to AI and the Personal Information Protection Act.

  Serves as Secretariat for the AI and Law Society and participates in the International Exchange Working Group, Data Working Group, Industry Law Working Group, and Privacy Working Group. Major publications include "Legal Issues of AI Profiling: Personal Information and Privacy in the AI Era" and "An Overview of the EU AI Act" (both as co-author).

- **Kyoko Yoshinaga**

  (Project Associate Professor, Graduate School of Media & Governance, Keio University)

  Completed Master's Program at the University of Tokyo Graduate Schools for Law and Politics (Master of Laws (LL.M.)).

  Mitsubishi Research Institute (2003-23), Yale Law School’s Information Society Project Visiting Fellow (2010-11), Since October 2023, current position. Other appointments include: Affiliate Scholar at Georgetown Law Institute for Technology Law & Policy; Expert Committee Member for OECD-GPAI; Visiting Researcher at the University of Tokyo Institute for Future Initiatives; Visiting Associate Professor at the National Institute of Informatics; Member of the Ministry of Economy, Trade and Industry's "AI Guidelines for Business Committee"; Member of the Digital Agency's "Advanced AI Utilization Advisory Board"; and External Expert Member for a private company's "AI Ethics Board". Research focuses on policy and legal frameworks for information and communications technology (ICT) and cybersecurity, as well as governance and ethics of advanced technologies including AI. Major publications include *Responsible AI and Rules* (KINZAI) and *An Overview of the EU AI Act* (Shojihomu). AI Member of the Policy Recommendations Working Group (Vice Chair), International Exchange Working Group (Advisor), Generative AI Working Group, and Privacy Working Group of the AI and Law Society.

AI Governance Report

November 2025

AI and Law Society
International Exchange Working Group